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1M-42

Director, Central Intelligence Agency

24 July 1948

Assistant Director, Office of Reports and Estimates

Extent of Soviet and Satellite Fulfillment of Trade Pacts With the West.

1. Available information indicates that the USSR and its satellites are, in general, fulfilling their commitments in trade agreements with the Western Powers. Although there have been some complaints about the quality of Eastern European goods, apparent satisfaction with Soviet and Satellite deliveries has recently been evidenced by the willingness of western countries to negotiate new agreements and to renew or extend old ones.

In many instances, Soviet and Satellite deliveries have not only been punctual but have preceded the receipt of shipments from the west. This is due, in part, to the nature of Soviet and Satellite exports which require little or no fabrication and are readily exportable. Another important consideration is Soviet and Satellite eagerness to obtain increased assurance of future deliveries of vitally needed equipment from the West. These Eastern European countries may feel that, once they have made deliveries in accordance with the agreements, the Western countries will feel more obligated to make deliveries and will be less inclined to impose economic sanctions.

Those instances where the USSR and the Satellites have not delivered in accordance with their agreements seem to have been prompted largely by breakdown in deliveries from the west. Shipments from Western European countries have often been slow for a variety of reasons, including:

- 1) Inability of western industry to meet requirements within the specified time;
- 2) Soviet dissatisfaction with quoted prices;
- 3) Soviet hesitancy to furnish complete specifications.

Document No. NO CHANGE in Class. ☐☒ DECLASSIFIED

Class. CHANGED TO: TS S C

Auth: DDA Memo, 4 Apr 77  
DDA REG. 77/1763Date: 14/10/77 By: 

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